

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1
Ag 846
Cap: 2

491

BACKGROUND ON OUR NATION'S AGRICULTURE

U. S. DEPT. OF AGRICULTURE
LIBRARY

JUN 27 1961

CURRENT SERIAL RECORDS



Background on—

OUR NATION'S AGRICULTURE

American agriculture has advanced more in the past 50 years than in all the prior years of our history. Modern farming and ranching, combined with a progressive system of marketing, processing, and merchandising, provide:

- Abundant, wholesome food when, where, and in the forms we want it.
- Farm products with new qualities for home and industry.

The foundation for continuing agricultural advances, which reach from farm to market to home or industry, is research and the hard work and ingenuity of farmers and ranchers.

Research by Government and industry is constantly improving plants and animals, providing better management of soil and water, finding new uses for farm products, and devising new and better methods of marketing, transporting, storing, and merchandising farm products. Educational services quickly carry the new knowledge to farmers and others who put it to use.

What Is Modern Farming?

The Nation's Biggest Industry

Farming employs 7.1 million workers—more than the combined employment in transportation, public utilities, the steel industry, and the automobile industry.

Investment in agriculture is nearly \$200 billion, equal to:

- ³/₄ of the value of current assets of all corporations in the United States, or
- ³/₅ of the market value of all corporation stocks on the New York Stock Exchange.

The investment in agriculture represents \$21,300 for each farm employee, as compared with \$15,900 for each worker in manufacturing industry.

3.7 Million Producers

This biggest of the Nation's industries is composed of 3.7 million independent producers. That's the number of farms shown in the preliminary report of the 1959 Census of Agriculture. In 1959:

1,638,000 farms (44.2 percent of all farms) sold less than \$2,500 worth of farm products.

617,000 (16.7 percent) sold farm products worth \$2,500 to \$4,999.

653,000 (17.7 percent) sold farm products worth \$5,000 to \$9,999.

794,000 (21.4 percent) sold farm products worth more than \$10,000.

Only 102,143 farms in 1959 had sales of farm products totaling more than \$40,000.

A Good Customer

The farmer spends \$25 to \$26 billion a year for goods and services to produce crops and livestock; another \$15 billion a year for the same things that city people buy—food, clothing, drugs, furniture, appliances, and other products and services.

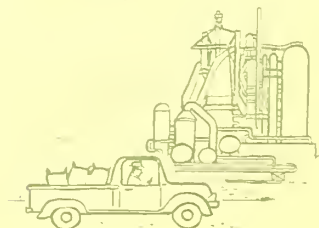
Each year the farmer's purchases include:

\$2.5 to \$3 billion in new farm tractors and other motor vehicles, machinery, and equipment. (About \$1 billion was spent in 1959 by the primary iron and steel industry for equipment and new plants.)

\$3.5 billion for fuel, lubricants and maintenance of machinery and motor vehicles. Farming uses more petroleum than any other single industry.

\$1.5 billion for fertilizer and lime.

Products containing 320 million pounds of rubber—about 9 percent of the total used in the United States, or enough to put tires on nearly 6 million automobiles.



27 billion kwh of electricity—or about 4 percent of the Nation's total, or more than is needed annually by Baltimore, Chicago, Boston, Detroit, Houston, and Washington, D.C.

A Creator of Employment

4 out of every 10 jobs in *private* employment are related to agriculture.

10 million people have jobs storing, transporting, processing, and merchandising the products of agriculture.

6 million people have jobs providing the supplies farmers use.

Here are a few examples from the 1958 Census of Manufacturers:

Meat and poultry, including meatpacking, prepared meats, and poultry dressing plants—308,500 employees and a payroll of nearly \$1.5 billion.

Dairy, including fluid milk, concentrated and dried milk, natural cheese, creamery butter, ice cream, and special dairy products—292,600 employees and a payroll of more than \$1.3 billion.

Baking, including bread and related products and biscuits and crackers—299,000 employees and a payroll of more than 1.3 billion.

Fruits and vegetables, canned, frozen, and processed as pickles and sauces—172,400 employees and a payroll of \$591 million.

Cotton broadwoven fabrics industry—242,500 employees and a payroll of \$722 million.

An Efficient, Progressive Industry

One hour of farm labor produces 4 times as much food and other crops as it did in 1919–21. Crop production is 65 percent higher per acre. Output per breeding animal is 88 percent greater.

Productivity of the American farm worker in the 1950's increased by 6½ percent a year. Output per man-hour in nonagricultural industry increased by about 2 percent a year.

One farm worker produces food for himself and 25 others.

A Taxpayer

In 1960:

Farm real estate taxes totaled \$11⅓ billion.

Tax on personal property on farms was another quarter billion dollars.

Income taxes paid by the farm population amounted to \$1¼ billion.

Net taxes paid by farmers on motor fuels were \$375 million.

Motor vehicle license fees and taxes paid by farmers were about \$174 million.

Sales taxes totaled about \$300 million.



Food Supplier to the World

The United States is the world's largest exporter of agricultural products.

Sixty-five million acres of our 321 million harvested acres produce for export. The land producing for export represents slightly more cropland than that in Nebraska, Iowa, and Kansas.

\$4.8 billion in farm products were exported in 1960. The volume and value of products set new records.

Abundance Works for Peace

American agricultural abundance is a powerful force for world peace. Our food and other farm products are helping to relieve hunger and to promote economic growth in the newly developing countries of the world. For example, a shipload of food, mainly wheat or wheat products, leaves the United States every day for India. Our wheat is providing an additional 5 billion loaves of bread a year for the people of India.

We accept foreign currencies from countries that need our farm products but are short of dollar exchange. We also barter or trade our agricultural products for strategic defense materials—more than \$1 billion worth since July 1, 1954.

Farming Is Food



Each of us in 1960 consumed these and other products of farm and ranch:

161 pounds of beef, veal, pork, lamb, and mutton.

35 pounds of chicken and turkey.

204 pounds of fruits (fresh fruit equivalent).

203 pounds of vegetables (fresh vegetables equivalent).

653 pounds of dairy products (whole milk equivalent).

103 pounds of potatoes and 6 pounds of sweetpotatoes.

We can choose from as many as 5,000 different foods when we go to market—fresh, canned, frozen, concentrated, dehydrated, ready-mixed, ready-to-serve, or in heat-and-serve form.

Clothing

In 1960, we used:

4.3 *billion* pounds of cotton, or more than 23 pounds per person. That's the equivalent of about 24 house dresses, or 30 dress shirts, for every man, woman, and child in the Nation.

404 million pounds of apparel and carpet wool, more than 2 pounds per person.

And research has given these natural fibers new qualities. Specially treated cotton resists everything from wrinkles to fire. Wool can be treated to keep it from shrinking when it is washed.

Shelter

It takes 1 acre of healthy forest 20 years to grow the lumber for a 5-room frame house.

Farmers and other small woodland owners control 54 percent of the Nation's commercial forest; 3 out of 4 forest owners are farmers.

And Other Products

Paper. About 400 pounds of paper per person is consumed each year. This requires the net annual wood growth from about $\frac{3}{4}$ acre

of commercial forest. A large New York paper uses the equivalent of the net annual growth from 6,000 acres of commercial forest land for its Sunday issue, or the net annual growth from 500,000 acres every year.

And the day of the "wood-burning rocket" may arrive. Nitrocellulose, derived mainly from wood pulp, is a major ingredient of some solid fuel propellents of missiles.

What Does the Farmer Receive?

For Food

39 cents of each \$1 spent for food.

2.3 cents for the corn in a 26-cent box of cornflakes.

60 cents of each \$1 spent for choice beef.

9 cents for the oranges in a 23-cent can of frozen orange juice concentrate.

2.3 cents for the wheat in a 20-cent loaf of white bread.

About 11 cents from a 25-cent quart of milk.

For Clothing

About 27 cents for the cotton in a man's \$4 business shirt.

For Shelter

About 25 cents stumpage for each \$1 worth of pine lumber produced from his woods.

Income From His Labor and Capital

Farm people in 1960 received:

\$33.7 *billion* in sales of crops and livestock, with a *net* income for farm operators of \$11.6 *billion* from farming.

\$6.9 *billion* from work done off the farm.

\$986 per capita—\$657 from farming plus \$329 from nonfarm sources. (Per capita income of the nonfarm population was \$2,282, including \$18 from farming. Nonfarm people in 1960 received \$2.8 *billion* income directly from farming.)

82 cents an hour income for farm work. By contrast, 1 hour's work in a factory averaged \$2.29, and hourly earnings in food marketing averaged \$2.14.

What Do We Spend for Food?

From Our Income

20 percent of our disposable income went for food in 1960. If we had bought in 1960 the same kinds and quantities of food we ate in 1935-39, we would have spent only 14 percent of our 1960 income.

We spent 23½ percent of our disposable income for food in 1929 and 22⅓ percent in 1939.

In Terms of an Hour's Work

1 hour's work in a factory buys more food today than it did 20 or 30 years ago. Pay for 1 hour's factory labor would buy:

Round steak: 2.2 pounds in 1960; 1.8 pounds in 1939; 1.2 in 1929; or

Bacon: 3.5 pounds in 1960; 2 pounds in 1939; 1.3 in 1929; or

Milk: 17.6 pints in 1960; 10.4 pints in 1939; 7.8 in 1929; or

Oranges: 3.1 dozen in 1960; 2.2 dozen in 1939; 1.3 in 1929.

As Compared With Other Products

Food costs have risen less since 1947-49 than most other consumer items in the cost-of-living index. For all items on the list, the increase in cost to early 1961 was 27.5 percent. For *all* food, the increase was 21.2 percent. For rent, it was 45.7 percent, and for medical care, 59.6 percent.

The farmer gets none of this increase in cost for the food he produces. In fact, he receives 12 percent less for the *farm food* "market basket" than he did in 1947-49. This accounts for the fact that the cost of farm-grown food has risen only 12 percent, although processing and marketing costs have risen 36 percent.

Prepared by
Office of Information

Revised May 1961
Washington, D.C.



GPO 1961—O—593289

Growth Through Agricultural Progress

For sale by the Superintendent of Documents, U.S. Government
Printing Office, Washington 25, D.C. - Price 5 cents